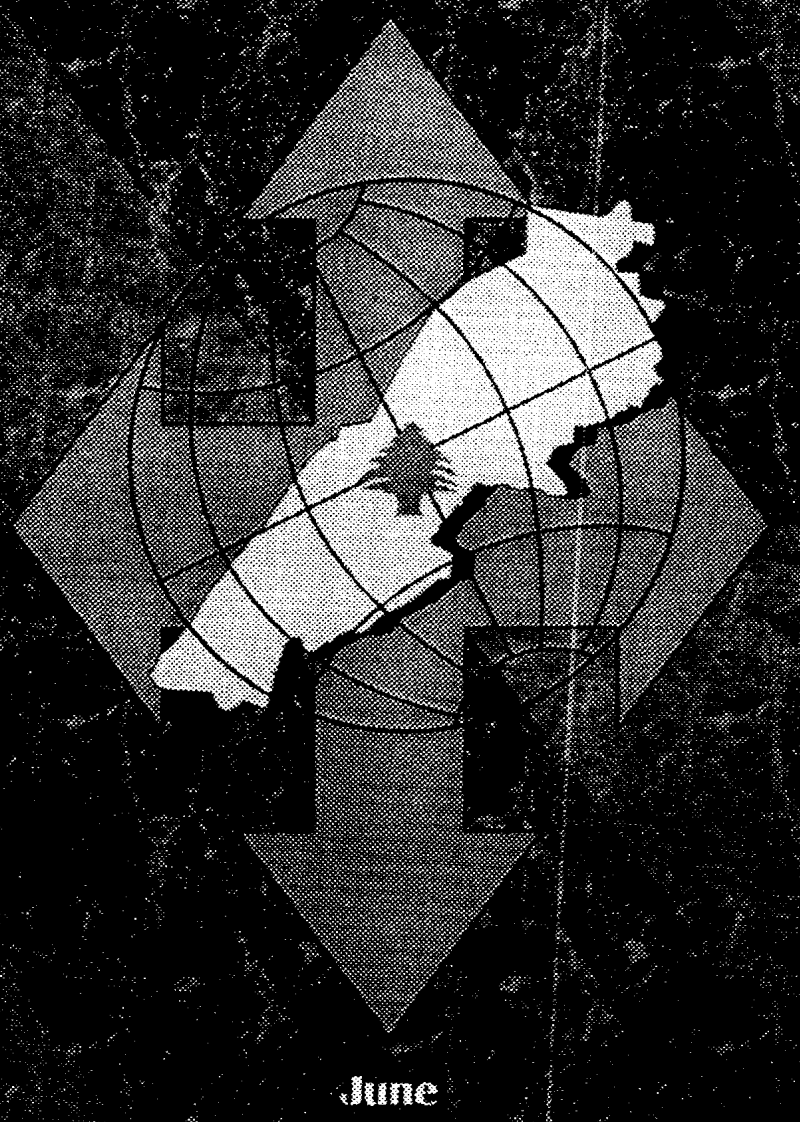


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The Middle East Management Training Institute

Announces



**Regional
Business
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The Middle East Management Training Institute

Prospectus

Prepared By:
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PROSPECTUS FOR A MIDDLE EAST MANAGEMENT TRAINING INSTITUTE IN LEBANON

This paper summarizes a proposal for a collaborative effort by key universities in Lebanon to combine the strengths of each institution's business programs into a comprehensive Middle East Management Training Institute. The purpose of this Institute is to provide critically needed support for private sector economic development and to enhance Lebanon's role as a center for regional educational excellence.

The Origins of this Initiative

The idea for developing a Management Training Institute came directly from the Lebanese private sector, universities, and government leaders. The concept emerged as a key output of an extensive program of research, interviews, and intensive workshops, which identified Lebanon's needs and opportunities and crafted initiatives to expand the nation's productive economic sectors. These workshops and studies were conducted by Lebanese American University (LAU) and SRI International, with the support of the U.S. Agency for International Development. The initiative will focus on long-term human resource development for the financial and business services industries, as well as enhancing Lebanon's role as a regional center for training and higher education.

A supply assessment of training institutions in Lebanon was conducted in order to achieve the following goals:

1. Find out which educational and professional institutions in Lebanon offer training and development programs in two broad areas: management and finance.
2. Survey the programs offered and assess their professional relevance (i.e., to what extent do they satisfy business organizations' training needs).
3. Form an idea about the costs of training in Lebanon.

The major findings of this study are summarized below:

- ❖ Most of the training offered by educational institutions is very academic and theoretical.
- ❖ There are currently very few good training institutions.
- ❖ In general, training lacks sophistication and quality.
- ❖ Training material is not effective; it is typically produced through a "cut and paste" exercise.
- ❖ Trainers are usually local university professors who lack professional training skills and are too academic in their elaboration of training material.

- ❖ Training is exorbitantly expensive, especially when foreign trainers are involved.
- ❖ Many business organizations do not undertake a professional needs assessment before conducting training. As a result, they end up wasting training resources, because training is not targeted at the critical needs and skills gaps.
- ❖ Professional, effective, and high-level training is most needed the in the area of management skills (rather than in banking or finance).

Why this Initiative?

In order for Lebanon to become a regional center of excellence in professional management training and broader higher education, it is critical that the nation develop an adequate long-term supply of high quality human resources for financial and business services firms. Establishing a Middle East Management Training Institute is a key step in achieving these goals.

This initiative is needed because the human resources available in Lebanon – while superior to those of many other countries in the region – still fall short of many private sector requirements. Lebanon's general higher education system has made great strides since the civil war, but many lingering constraints have hampered its ability to meet the more technical and rapidly evolving needs of financial and other business institutions for management training and financial information technology.

In addition to meeting the human resource needs of Lebanese private firms, there is also a need to revive Lebanon's role as a center of educational excellence for the Middle East region. By supporting a Training Institute as a "public-private partnership" initiative, Lebanon will be better positioned to regain its role as a center of education for the region.

The Purpose of the Management Training Institute

The purpose of the Management Training Institute will be to help re-establish Lebanon as a major center of excellence in management training for finance and related business services through the provision of high-quality higher education. Achieving this goal will provide critically-needed human resource support for Lebanon's private sector, and, by attracting regional investment and developing wide regional business contacts, help support sustainable economic development in Lebanon as a whole.

How Will it be Implemented?

This initiative will combine the strengths of each participating university's business programs and course offerings into a package of education programs, which will be marketed by the consortium of participating institutions throughout the Middle East region. This approach is intended to bring together the best features of existing business-oriented programs of universities such as LAU, AUB, NDU, Balamand, and other French curriculum business programs. Combining the strengths of these institutions and

programs will create synergies which boost Lebanon's attractiveness as a regional center of excellence for higher education.

Initially, the training Institute could be affiliated with or physically located in an appropriate university, to help bring together relevant current and new courses. To encourage private sector input, the Institute could cooperate or be affiliated with the training programs of the Association of Banks in Lebanon and other corporate programs.

What Resources are Needed and/or Available?

Initially, the Institute will package and market *current* relevant programs of participating universities and training institutes. In the initial stages, few or no new programs will be developed, so it is anticipated that minimal funding will be needed. Initial funding will mainly be required for packaging relevant courses and promoting and marketing them effectively throughout the region. Additional support from participating institutions and possibly donor agencies is to be determined. In the later stages, funding requirements are likely to grow as new programs and courses are developed.

DISCUSSION ON THE FEASIBILITY OF A MIDDLE EAST MANAGEMENT TRAINING INSTITUTE IN LEBANON

The Center for Sponsored Research and Development at Lebanese American University (LAU) invited three main English-speaking universities to discuss the feasibility of setting up a Middle Eastern Management Training Institute in Lebanon. The main purpose of this task was to elaborate the vision, conditions, and requirements for creating such an institute. The four participating academic institutions and their representatives at the meeting were:

- *Lebanese American University* (LAU) – Dr. George Nicolas and Mr. Fuad W. Awad
- *The American University of Beirut* (AUB) – Dr. George Najjar, Vice President for Regional External Programs
- *Notre Dame University* (NDU) – Mr. Amin Al Rihani, Vice President for Academic Affairs
- *Balamand University* – Dr. Farid Nabti, Dean of the School of Business

Discussions on Feasibility

This above prospectus served as the background for the discussion among the four universities on the feasibility of this idea. The participants in the meeting attempted to answer the following questions:

1. What should be the mission of the new institute?

Participants agreed that the mission stated in the prospectus is most appropriate. More specifically, they agreed that the main mission of the new institute is “to provide critically needed support for private sector economic development and to enhance Lebanon’s role as a center for regional educational excellence.”

2. What should be the institute’s scope in terms of market and training coverage?

Participants agreed that the new institute should start by serving the Lebanese economy first, and then move to develop courses and seminars covering the whole Middle East area.

3. What type of training courses should be offered?

Participants agreed that the new institute should offer short, high-quality professional courses satisfying the needs of Middle Eastern organizations.

4. What sort of structure should the institute have?

Participants requested more time to answer this question, especially with regard to the future relationships that should prevail between the new institute on the one hand, and the participating universities on the other.

5. How the institute should be funded?

Participants felt that initial funding by a potential donor would be needed. However, the institute should become self-financing within one or two years after its establishment.

6. What could be the advantages and disadvantages for member institutions?

In general it was believed that the potential advantages outweigh the potential disadvantages. The main advantages would be:

- greater academic and professional collaboration among the participating institutions in the area of human resource development;
- benefiting from each other's experience in the field of training and development;
- centralizing the marketing and public relations effort; and
- enjoying economies of scale and cost cutting.

The possible disadvantages would include: potential conflict with other programs that are run by each university independently, as well as possible financial loss.

7. What sort of financial, academic, and other commitments should potential members make?

Participants felt that it is too early at this stage to specify these commitments.

Conclusions

- All four institutions found the idea of setting up such an institute both compelling and highly needed.
- AUB showed relatively greater interest in setting up the new institute than the other universities.
- NDU and Balamand welcomed the idea in principle, but were very skeptical about their contribution in the short run, given their limited experience in training and development in such fields.
- Although enthusiastic about the idea per se, the participants were very much concerned about details such as funding, management, organizational structure, relationship of the institute with member institutions, etc.
- AUB and LAU showed enthusiasm to test their collaboration through a pilot project to be implemented as soon as possible.